GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2655
ANSWERED ON:17.03.2006
NHB SCHEME FOR FLOOP AFFECTED VICTIMS
Reddy Shri Karunakara G.

Will the Minister of FINANCE be pleased to state:

(a) whether the National Housing Bank (NHB) has announced a concessional scheme for the flood affected victims;

(b) if so, the details of the financial assistance likely to be provided to them; arid

(c) the conditions laid down under this scheme?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b): National Housing Bank (NHB) had introduced a scheme `Refinance Assistance for Housing in the Tsunami affs-cted areas` on February 04, 2005 to encourage construction of new houses/flab; as also major repairs (including extension and upgradation) of the existing liousirig stock in the Tsunami affected areas as notified from time to time. Refinance from NHB under the scheme is available at the f ollowing concessional rates oil interest:

Purpose of Loan	Maximum Loan Size(Rs.)	Interest rate NHB to HFCs/SBs	Interest rate HFCs/SBs to beneficiaries
Conatruction/ Purchase	2,00,000/-	5.00%	6.50%
Repairs & Upgradation	50,000/-	5.00%	6.50%

HFCs : Housing Finance Companies.
SBs. : Scheduled Banks.

As reported by NHB, there has been no request for funds from any Primary Lending Institution for refinance under the scheme.

(c): A moratorium of two years would be extended by NHB to the Housing Finance Companies (HFCs) subject to the same facility being extended to the ultimate borrowers and the financial assistance availed could be prepaid by HFCs to NHB by giving a two months` notice to NHB.